

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
LAKE BERRYESSA RECREATION AREA
CONCESSION CONTRACT**

PENSUS LAKE BERRYESSA PROPERTIES LLC
MARINAS, LODGING, FOOD & BEVERAGE, RETAIL SALES AND
ASSOCIATED FACILITIES AND SERVICES

AT

LAKE BERRYESSA

Concession Contract No. 10-LC-20-0184

BUSINESS OFFICE
Pensus LBP
2929 N. 44th Street Suite 228
Phoenix, Arizona 85018
David Maule-Ffinch

Doing Business As: Pensus Lake Berryessa Properties LLC

Covering the Period APR 28, 2010 through December 31, 2040

IDENTIFICATION OF THE PARTIES

THIS Concession Contract is made and entered into by and between the United States of America, acting through the Regional Director, Mid Pacific Region, Bureau of Reclamation, hereinafter referred to as "Reclamation" or "Contracting Officer" and the Pensus Lake Berryessa Properties LLC, a limited liability company organized and existing under the laws of the State of California, hereinafter referred to as the "Concession Contractor."

WITNESSETH

WHEREAS, Reclamation has determined that certain facilities and services are appropriate for the public use and enjoyment at six of the concession areas located at Lake Berryessa, and the Concession Contractor is willing to provide such facilities and services; and

WHEREAS, Reclamation is willing to allow the Concession Contractor a reasonable opportunity to realize a profit on the operations conducted within those six concession areas, commensurate with the capital invested and the obligations assumed; and

WHEREAS, the Concession Contractor's facilities and services will not be inconsistent with the requirements of Reclamation's Solano Project and will not interfere with the operation and responsibility of any and all entities associated with that Project; and

WHEREAS, Reclamation desires the Concession Contractor to provide the facilities and services referred to above at reasonable rates under the supervision and regulation of Reclamation; and

WHEREAS, Reclamation desires the Concession Contractor to provide the facilities and services referred to above in a manner that demonstrates sound environmental management, stewardship, and leadership; and

WHEREAS, it is the intent of Reclamation and the Concession Contractor to provide quality facilities for the provision of visitor services and to provide the Concession Contractor both a reasonable opportunity to realize a profit during the term of the Concession Contract and a reasonable expectation, should the Concession Contractor not continue as the operator following the expiration or termination of this Concession Contract, to be compensated at fair market value for the Concession Contractor Improvements; and

WHEREAS, it is the intent of Reclamation and the Concession Contractor to ensure the continuity of visitor services and adequate maintenance of facilities referred to throughout this Concession Contract to serve the public use and enjoyment at six of the concession areas located at Lake Berryessa; that assessments of the current conditions and remaining life expectancy of the Concession Contractor Improvements (including assessments of whether the Concession Contractor Improvements continue to meet present and projected future recreational needs) will be periodically recorded and documented throughout the life of the Concession Contract; and, that any changes to the Visitor Services Plan Record of Decision (VSP ROD) dated June 2, 2006 (which represents Reclamation's formal determination of the future recreation operation and use at Lake Berryessa at the time of this Concession Contract) shall be based on factual considerations and statistical analysis, such as the utilization of the facilities by the public, a public record, and a public process; and

WHEREAS, Reclamation recognizes that the Concession Contractor will require third party construction and permanent financing or refinancing for construction and operation of the facilities to be developed pursuant to the Contract, and that certain reasonable assurances will be required by commercial lenders in order for the Concession Contractor to obtain such financing;

NOW, THEREFORE, pursuant to the Reclamation Act of 1902, as amended and supplemented including Title VI of the Act of October 27, 1974, Pub. L. No. 93-493, Reclamation's Concession Management Policy, Directives and Standards; applicable Reclamation Guidelines, and all authorities and policies specific to Lake Berryessa, Reclamation and the Concession Contractor agree as follows:

DEFINITIONS

The following terms as used in this Concession Contract and the exhibits to this Concession Contract are defined as set forth below. Definitions apply to both the singular and the plural forms of the defined terms.

Applicable Laws – Federal, State and local laws governing the development, operation and maintenance of recreation facilities and services at Lake Berryessa, including, but not limited to, the rules, regulations, requirements, and policies promulgated under those laws, whether now in force or amended, enacted or promulgated in the future.

Assignment – Designation of Government land and facilities by the Government for the use of the Concession Contractor in providing contractually required services during the term of this contract. Such designation will continue until contract expiration, termination, or until otherwise withdrawn by the Government. This designation does not transfer ownership of the subject property.

Best Management Practices – Policies and practices that apply the most current and advanced means and technologies available to the Concession Contractor to undertake and maintain a superior level of environmental performance reasonable in light of the circumstances of the operations conducted under this Concession Contract. Best Management Practices are expected to change from time to time as technology evolves.

Change Order – A written agreement between the Construction Supervisor and the contractor or consultant that changes the concession construction or improvement contract documents or scope of project work as agreed upon contractually.

Concession Contractor Improvement(s) – Fixed Assets provided by the Concession Contractor pursuant to the terms of this Concession Contract with the written approval of Reclamation for the purposes of this Concession Contract (including any improvements made to Reclamation Improvements and improvements made from funds in the Reserve Account for Facilities Improvement (RAFI)), during the term of this Concession Contract, including buildings, Structures, Fixtures, equipment, and other improvements affixed to the assigned lands in such a manner as to be a part of the realty. Concession Contractor Improvements constructed affixed to the lands assigned to the Concession Contractor do not include any interest in the land upon which the improvements are located. Additionally, a Concession Contractor Improvement does not include any interest in Personal Property of any kind including, but not limited to, vehicles, boats, barges, park models or other objects, regardless of size, unless an item of Personal Property becomes a Fixture as defined in this Concession Contract. Concession Contractor Improvements exclude site preparation work such as grading, cutting and filling of soil or rock.

Construction Cost – The total of the incurred Eligible Direct Costs and Eligible Indirect Costs necessary for constructing or installing the capital improvements that are capitalized by the Concession Contractor in accordance with generally accepted accounting principles (GAAP).

Construction Supervisor – A Concession Contractor employee designated to administer and coordinate construction projects, ensuring the quality of work and compliance with project design specifications.

Consumer Price Index (CPI) – The national “Consumer Price Index for All Urban Consumers” published by the U.S. Department of Labor, Bureau of Labor Statistics, Series Identification number CUUR0000SA0 All items, 1982-84=100. If this index ceases to be published, Reclamation will designate another regularly published cost-of-living index approximating the national CPI.

Contracting Officer – Regional Director of the Mid-Pacific Region as delegated by the Commissioner.

Day or Days – Shall mean calendar days, unless the Contract specifically refers to business days which shall exclude weekends and federally recognized holidays.

Depreciation – The allocation of the cost of an asset over time for accounting or tax purposes to account for the decline in the value of an asset due to wear and tear or obsolescence. The method for calculating the depreciation may conform to generally accepted accounting principles (GAAP) or the Internal Revenue Service (IRS) requirements, whichever is appropriate to the application.

Exhibit or Exhibits – Shall mean the various exhibits that are attached to this Concession Contract, each of which is hereby made a part of this Concession Contract.

Federal Estate – The Federal land and water areas of the Solano Project that are under the primary jurisdiction of the Department of the Interior, Bureau of Reclamation.

Fixed Assets – Are any Structures, Fixtures, or capital improvements permanently attached to the Federal Estate.

Fixtures – Manufactured items of property of an independent form and utility, necessary for the basic functioning of a Structure that are affixed to and considered to be part of the Structure as real property once installed. Fixtures do not include building materials until incorporated into a Structure (e.g., wallboards, flooring, concrete, cinder blocks, steel beams, studs, window frames, windows, rafters, roofing, framing, siding, lumber, insulation, wallpaper, and paint). Because of their special circumstances, floating docks (but not other types of floating property) that may be constructed by the Concession Contractor pursuant to the terms of this Concession Contract are considered to be Fixtures.

Franchise Fee – A payment to the Government that is considered a direct return to the Government upon consideration of the value to the Concession Contractor of the use, rights, and privileges granted by this Concession Contract. Such value shall be based upon a reasonable opportunity for net profit in relation to capital invested and the obligations of this Concession Contract.

Gross Revenues – The total amount received or realized by, or accruing to, the Concession Contractor from all sales for cash or credit, of services, accommodations, materials, and other merchandise made pursuant to the rights granted by this Concession Contract, supplemental surcharge revenues, commissions earned on contracts or agreements with other persons or companies operating in the area, including gross revenues earned from electronic media sales, all charges for in-room telephone or computer access, and all monies actually received by the Concession Contractor from coin operated devices whether provided by the Concession Contractor or by others. The Concession Contractor is authorized to deduct from gross revenues to the extent such items are included in gross revenues:

- Returns, Refunds and Allowances
- Intra-company earnings for charges to other departments of the operation (e.g., gross income from laundry services is counted once, regardless of cost allocation).
- Cash discounts on sales or purchases.
- Sales to employees for meals, lodging and transportation incidental to work.
- Sales of Native Handicrafts.
- Interest on money loaned or in bank accounts.
- Income from investments.
- Income from any subsidiary companies not arising from business conducted in conjunction with this Concession Contract.
- Incidental sales of property acquired for resale and not for use under this contract.
- Sales and excise taxes that are added as separate charges to sales prices, gasoline taxes, fishing license fees, and postages stamps, provided that the amount excluded shall not exceed the amount actually due or paid Government agencies.

Improvements – An addition to real property that increases its value or utility or that enhances its appearance.

Improvement Management Plan – A written document as described in Exhibit H presenting a management plan for all real property improvements, including construction, repair, and maintenance projects.

Intangible Assets – An asset without physical form, such as a contract right that may be owned that provides the owner with value.

Loss Payable Clause – A condition of an insurance policy whereby the company is directed by the insured to pay to some other person designated in the policy any loss that may be due.

Personal Property – All tangible assets not affixed to the land. Personal Property includes but is not limited to: vehicles, boats, barges, park models, or other objects, regardless of size, unless an item of Personal Property becomes a Fixed Asset as defined in this Concession Contract. Any structure that is identified as a cabin in the Concession Facility Improvement Program, regardless of whether pre-fabricated or built on-site, and that is placed on a solid concrete foundation or slab, is not considered Personal Property.

Reclamation Improvements – Government owned real property improvement existing on the date hereof or hereafter constructed by or on behalf of Reclamation upon or affixed to the lands assigned to the Concession Contractor, including buildings, Structures, Fixtures, equipment, and other improvements affixed to or resting upon the assigned lands in such a manner as to be a part of the realty.

Secretary – The Secretary of the Interior or his/her authorized representatives.

Structure – A building, a dock, or other improvement affixed to the land so as to be part of the real estate. A Structure may include both constructed infrastructure (e.g., water, power, and sewer lines) and constructed site improvements (e.g., paved roads, retaining walls, sidewalks, paved driveways, and paved parking areas) that are permanently affixed to the land so as to be part of the real estate and that are in direct support of the use of a building, dock, or other improvement.

Interior furnishings that are not Fixtures are not part of a Structure. Structure excludes site preparation work such as grading, cutting and filling of soil or rock.

Substantial Completion – The condition of a Concession Contractor Improvement construction project when the project is ready for use and/or occupancy as set forth in Exhibit H of this Concession Contract.

SECTION 1 – TERMS AND CONDITIONS OF CONCESSION CONTRACT

A. TERM OF CONCESSION CONTRACT AND OPTIONAL TERM

This Concession Contract No. 10-LC-20-0184 herein and hereafter referred to as the “Concession Contract,” shall be effective as of APR 28, 2010 until its expiration on December 31, 2040.

By mutual agreement, Reclamation and the Concession Contractor will have the option of adding one consecutive 10-year term until December 31, 2050. If the Concession Contractor desires to add the option term, Reclamation shall be notified in writing of the Concession Contractor’s desire to add the option term within 60 days after receipt of the commercial services plan described in Section 5.A.2. Reclamation shall authorize the option if requested unless it determines that the option term would be inconsistent with Applicable Laws or would not be appropriate based upon the consideration of relevant factors, including but not limited to (a) the useful life and condition of the Concession Contractor Improvements and present and future recreational needs as determined by the commercial services plan; (b) the Concession Contractor’s past compliance with contract terms, and (c) Solano Project operational constraints and/or modifications.

B. SUSPENSION, REVOCATION, AND TERMINATION

In the interest of preserving continuity of recreation services to the public, issues of default, suspension, or revocation will be limited to the extent practicable to the individual facility or concession area concerned.

1. Suspension. Reclamation may direct the Concession Contractor to temporarily suspend its operations under this Concession Contract in whole or in part, as deemed necessary by Reclamation, to protect area visitors or to protect, conserve, and preserve area resources. This Concession Contract may also be suspended in whole or in part as deemed necessary by Reclamation for Concession Contract violations that include, but are not limited to, contract noncompliance, operational deficiency, health and safety, and noncompliance with environmental regulations. No compensation of any nature shall be due the Concession Contractor by Reclamation in the event of a suspension of operations, including, but not limited to, compensation for losses based on lost income, profit, wages, or the necessity to make expenditures as a result of the suspension.
2. Revocation. Reclamation may revoke the Concession Contractor’s authorization to operate a concession area or facility if Reclamation determines that the Concession Contractor has materially breached any requirement of this Concession Contract with specific respect to that concession area. Any such revocation shall not be considered a termination of the Concession Contract as a whole and neither shall such revocation prevent the parties’ implementation of the Concession Contract with respect to all other concession areas. Any such revocation shall be effectuated by providing written notice to the Concession Contractor. After notice of revocation is received, the Concession Contractor will follow, with regard to the revoked concession area only, all Concession Contract provisions related to a contract termination, including, but not limited to: Section 1.B.4, Section 1.D, Section 3.F.1, Section 3.F.3, Section 4.I, Section 4.J, Section 5, Section 6.B.1, Section 7.A, Exhibit D, and Exhibit K, Section D.

With respect to each individual concession area, a breach of contract resulting in revocation may include, but is not limited to, a material failure to implement the following requirements:

- Maintain and operate visitor services to the satisfaction of Reclamation.
- Provide 'Required' visitor services pursuant to this Concession Contract by successfully accomplishing the Concession Facility Improvement Program (CFIP).
- Prepare and comply with the Maintenance Plan.
- Prepare and comply with the Operating Plan.
- Pay the established franchise fee.
- Pay into the reserve account for facilities improvement (RAFI) as agreed.
- Prepare and comply with the Environmental Management Program (EMP).
- Prepare and comply with the Risk Management Program (RMP).
- Expend funds from the RAFI in an appropriate and timely manner.
- If a Supplemental Surcharge is collected on all services and goods not subject to Transient Occupancy Tax (TOT) and fuel sales, establish an account for these revenues and use and administer the funds as outlined in the Concession Contract.
- Comply with applicable laws, regulations and codes.
- Apply the conditions of the Contract when assigning, selling, or transferring responsibilities of this concession contract to a third party.
- Correct deficiencies identified during the Concessions Review Program.

Uncured violations that affect more than one concession area may be grounds for termination of the Concession Contract.

3. Termination for Cause. Reclamation may terminate the entire Concession Contract by written notice to the Concession Contractor in the event of any of the following defaults by the Concession Contractor:

- a) The material failure of the Concession Contractor to promptly correct any condition at any concession area which, in Reclamation's determination through a thorough analysis and documentation, poses an immediate threat to the safety of persons or property; or
- b) The material failure of the Concession Contractor on more than one occasion to comply, after reasonable notice from Reclamation to the Concession Contractor, with lawful

directives and notices from Reclamation that affect more than one concession area under the Concession Contract; or

- c) The material failure of the Concession Contractor on more than one occasion to comply, after reasonable notice from Reclamation to the Concession Contractor on more than one concession area, with any laws, rules or regulations which are applicable to all of the concession areas; or
 - d) The filing by the Concession Contractor of any of the following, if the Contracting Officer determines that such filing or assignment renders the Concession Contractor unable to materially perform its obligations under the terms of the Concession Contract: any petition seeking relief under any provision of the Bankruptcy Act or successive legislation; an assignment by the Concession Contractor for the benefit of creditors; or a petition or other proceeding against the Concession Contractor for the appointment of a trustee, receiver, or liquidator; or
 - e) Multiple events identified in section 1.B.2, resulting in the revocation of the Concession Contractor's authorization to operate at two or more concession areas.
4. Opportunity for Cure. Unless specifically noted elsewhere in this Contract, in the event of any breach of this Concession Contract, Reclamation will provide the Concession Contractor an opportunity to cure by providing written notice to the Concession Contractor of the breach. Reclamation will provide notice of a breach of this Concession Contract within 3 business days to any third-party lender approved pursuant to section 1.G.2. In the event of a monetary breach, Reclamation will give the Concession Contractor a 15-day period to cure the breach. If the breach is not cured within that period, Reclamation may, as applicable, terminate this Concession Contract in whole for default pursuant to section 1.B.3 of the Contract or revoke individual concession area authority pursuant to section 1.B.2. In the event of a non-monetary breach, if Reclamation considers that the nature of the breach so permits, Reclamation will give the Concession Contractor 30 days to cure the breach or to prepare a plan to cure the breach that is approved by the Contracting Officer and 30 days to implement the plan over a period of time unless the breach involves immediate danger to persons or property or immediate threat to the environment, in which case Reclamation shall give reasonable notice under the circumstances. If the breach is not cured within this specified period of time, Reclamation may, as applicable, terminate this Concession Contract for default pursuant to section 1.B.3 of the Contract or revoke individual concession area authority pursuant to section 1.B.2.
5. Dispute Resolution. Reclamation and the Concession Contractor will endeavor to resolve any disputes with respect to whether a default or other issues that may potentially lead to revocation, termination or suspension exists, through informal negotiations and discussions. In the event that such negotiations and discussions fail to achieve resolution, either party may request that the parties engage either in mediation or in a formal, non-binding arbitration process.

In the event non-binding arbitration is requested by either party, each party shall select one member for the arbitration panel and, together, these two members will select the third (neutral) panel member. The expenses of the arbitration will be borne equally by the

Concession Contractor and Reclamation. The panel will treat each party equally and fairly. Recommendations must be made by a majority of the panel members but they will not be binding on either the Concession Contractor or Reclamation.

Reclamation's Regional Director shall make the final decision regarding any such dispute. The Concession Contractor may appeal the Regional Director's decision to the appropriate authority in accordance with 43 Code of Federal Regulations (CFR) Part 430 and other Applicable Laws.

Pending the Regional Director's decision, there will be no contract termination or suspension of operations, except suspension as deemed necessary by Reclamation to avoid imminent harm to area visitors or resources.

If the Regional Director revokes, terminates, or suspends operations at a concession area or portions thereof, then if practicable, given the reason for the termination or revocation and the condition of the Concession Contractor Improvements, Reclamation will endeavor to continue operations on an interim basis in accordance with Section 1.E.

6. Termination by Mutual Agreement. This Concession Contract may be terminated at any time by the written mutual agreement of the parties.

C. NOTICE OF BANKRUPTCY OR INSOLVENCY

The Concession Contractor must give Reclamation immediate notice (within 5 business days) after the Concession Contractor files any petition seeking relief under any provision of the Bankruptcy Act or its successive legislation; the Concession Contractor makes any assignment for the benefit of creditors; or any petition or other proceeding is filed against the Concession Contractor for the appointment of a trustee, receiver, or liquidator. For purposes of the bankruptcy statutes, the parties agree that this agreement is an executory contract exempt from inclusion in assets of the Concession Contractor pursuant to 11 United States Code (U.S.C.) 365.

D. REQUIREMENTS IN THE EVENT OF TERMINATION OR EXPIRATION

In the event of termination of this Concession Contract, any compensation due the Concession Contractor for such termination or expiration shall be as described in Section 5 of this Concession Contract. No other compensation of any nature shall be due the Concession Contractor in the event of a termination or expiration of this Concession Contract, including, but not limited to, compensation for losses based on lost income, profit, or the necessity to make expenditures as a result of the termination, bankruptcy, or expiration.

E. INTERIM OPERATION

To avoid interruption of service to the public upon the termination or expiration of the Concession Contract or revocation of authority to operate a concession area under Section 1.B.2, Reclamation may select an interim operator if a new contract is not in place at the time this Contract expires or is terminated or authorization is revoked. Reclamation may select the Concession Contractor as the interim operator if the Concession Contractor is performing in a satisfactory manner.

If, upon such termination, expiration or revocation, to avoid interruption of service to the public, Reclamation selects a third party and not the existing Concession Contractor as an interim operator, or Reclamation chooses to directly operate, Reclamation may require and the Concession Contractor shall consent to the use by another operator or Reclamation of Intangible Assets and other property and data, including, but not limited to, telephone and website reservation systems, operation manuals, vendor lists and customer lists and such tangible Personal Property on the premises as is necessary to avoid interruption of services to the public.

If, upon such termination, expiration or revocation, Reclamation selects a third party and not the existing Concession Contractor as an interim operator, or Reclamation chooses to directly operate, Reclamation may request, and the Concession Contractor will permit, the use, by another operator, of designated Concession Contractor Improvements needed to provide specific uninterrupted services to the public. Such use will be for a period of time not to exceed 1 year from the date of any contract termination or expiration, or revocation of authorization. Reclamation will make such request as soon as possible in the event of a termination or revocation. The other operator or Reclamation shall pay the Concession Contractor a fee ("Usage Fee") for use of such property, prorated for the period of use, in the amount of 1 percent (1%) per month of original cost. The other operator or Reclamation will be required to maintain these improvements in the same condition in which it assumed operation of them, less reasonable wear and tear.

F. NO RIGHT OF RENEWAL PREFERENCE

This Concession Contract does not include a preferential right of renewal.

G. CONTRACT SALE OR TRANSFER OF INTERESTS

1. The Concession Contractor shall not transfer, assign, sell, or otherwise convey (such transactions collectively referred to as "assignments") its interest or part of its interest under this Concession Contract, the concession operation, or Concession Contractor Improvements within the concession areas to another party without prior notification of intent and written approval of the assignment by Reclamation. The Concession Contractor must complete and submit all transactional information as required by Reclamation before any consideration will be given to the approval of an assignment of all or any portion of a concession operation. A proposed assignment is subject to the same evaluation process utilized for a new concession contract; a process, including, but not limited to, an assessment of financial health, concession management experience and a review of any past delinquencies regarding contracts with the United States. Reclamation may choose not to approve a proposed assignment or may place such conditions on any approval that Reclamation considers necessary to protect the public. Before the approval of an assignment, the terms and conditions of this Concession Contract are subject to reasonable changes that are consistent with the purpose and objectives of this Concession Contract and current Reclamation policy, at the discretion of Reclamation.
2. The Concession Contractor may not encumber, pledge, mortgage or otherwise provide as a security interest for any purpose (such transactions collectively referred to as "encumbrances") its interest or part of its interest under this Concession Contract, the concession operation, or Concession Contractor Improvements within the concession areas to another party without Reclamation approval. The Concession Contractor will provide notification of intent and a written explanation of the purposes of the encumbrance to Reclamation. Reclamation will

approve an encumbrance if it determines that the encumbrance does not purport to provide the creditor any rights beyond those provided by the Concession Contract; the encumbrance does not purport to permit a creditor, assignee of a creditor, receiver appointed pending foreclosure, or purchaser at a foreclosure sale, in the event of default, foreclosure, or otherwise, to begin operations under the Concession Contract or through a designated operator unless and until Reclamation determines that the proposed operator is qualified to operate the concession facilities; and the encumbrance would not have an adverse impact on the protection, conservation or preservation of area resources or the health and safety of area visitors, and such approval shall not be unreasonably withheld. To the extent that there is more than one lender for Concession Contractor Improvements in a concession area, Reclamation will promptly after a foreclosure subdivide the concession area in an appropriate fashion to allow the new operator to separately operate the foreclosed Contractor Improvements with access to utilities and roads. Upon a subdivision, operations under the subdivided concession area will continue to be subject to the provisions of this Concession Contract.

3. Failure by the Concession Contractor to comply with Applicable Laws is a material breach of this Concession Contract for which Reclamation may terminate this Concession Contract for default. Reclamation shall not be obliged to recognize any right of any person or entity to an interest in this Concession Contract of any nature, including, but not limited to, operating rights under this Concession Contract, if obtained in violation of Applicable Laws.

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SECTION 2 – SERVICES AND OPERATIONS

A. SERVICES TO BE PROVIDED

During the term of this Concession Contract, Reclamation requires the Concession Contractor to provide the services listed as 'Required (Base)', as shown in the "Lake Berryessa Development Plan" below and listed in Exhibit H, Table H-1 to the public within the six concession areas. Those services listed as 'Authorized' are not required but are permitted in accordance with an accepted Concession Facilities Improvement Program (CFIP). Required and Authorized services include those improvements and amenities required to support public use of the services, including but not limited to parking lots, trailhead staging areas, restrooms, drinking fountains, lighting, recycling centers and refuse containers, etc. Additional details on the CFIP necessary to accomplish many of the eventual operations are set forth in Section 4.G. (CFIP) of this Concession Contract and Exhibit H (Improvement Project Procedures) to this Concession Contract. Improvements and services shall comply with the Reclamation Recreation Facility Design Guidelines, currently located at <http://www.usbr.gov/pmts/architecture/recfac/> unless deviations are approved by the area manager in accordance with the Improvement Project Procedures of Exhibit H.

LAKE BERRYESSA DEVELOPMENT PLAN

	Markley Cove (Mahogany Bay)		Steele Park (Lupine Shores)		Spanish Flat (Foothill Pines)	
Improvements and Services	Required (Base)	Authorized	Required (Base)	Authorized	Required (Base)	Authorized
Lodging:						
Higher End Lodging	0	0	25	55	0	0
Mid-Market Lodging	0	0	0	0	0	0
Economy Lodging -- maid only	10	20	0	0	30	70
Total Lodging	10	20	25	55	30	70
Retail:						
Retail/Convenience/Boutique	1	1	1	1	1	1
Total Retail	1	1	1	1	1	1
Restaurants:						
Resort-based Restaurants	0	0	1	1	0	0
Land Non-Resort Restaurants	0	1	0	0	0	0
Marina based Restaurants	0	1	0	0	1	1
Total Restaurants	0	2	1	1	1	1
Camp Sites:						
Partial/Full Service	0	10	0	10	75	25
Total Campsites	0	10	0	10	75	25
RV Sites:						
Partial/Full Service	0	0	31	0	45	30
Total RV Sites	0	0	31	0	45	30
Marina/Boat Storage:						
Wet Slips	200	0	0	0	200	150
Surface Dry/Stack Storage	120	120	0	240	120	120
Total Boat Storage	320	240	0	240	320	270
Houseboat Rentals	0	0	0	0	35	0
Courtesy Slips	0	20	10	10	20	0
Tour Boat Dock	0	1	1	0	1	0
Launch Ramp	1	0	1	0	1	0
Amenities						
Resort Spa/Fitness Center	0	0	0	1	0	0
Marinas Member Station (Restroom/Shower/Laundry)	1	0	0	0	1	0
RV/Camping Comfort Station (Restroom/Shower/Laundry)	0	0	1	0	2	2
RV/Camping/Swimming (Pool/Cabana/Clubhouse)	0	0	0	0	0	1
Resort Swimming Pool/Cabana	0	0	0	1	0	0
Fish Cleaning Station	1	0	1	0	1	0
BBQ Area	0	1	0	0	0	1
Conference Center	0	0	0	1	0	0
Fuel Dock-double pumps	1	0	0	0	1	0
Pump outs	1	1	0	1	1	1
On land fuel station	0	0	0	1	0	1
Boat maintenance facility	0	1	0	0	0	1

LAKE BERRYESSA DEVELOPMENT PLAN CONTINUED

	Berryessa Resort (Blue Oaks)		Rancho Monticello (Manzanita Canyon)		Putah Creek (Chaparral Cove)		PENSUS	
Improvements and Services	Required (Base)	Auth- orized	Required (Base)	Auth- orized	Required (Base)	Auth- orized	Total of new required develop- ment	Total of new authorized develop- ment
Lodging:								
Higher End Lodging	0	0	0	0	0	0	25	55
Mid-Market Lodging	0	200	200	400	0	0	200	600
Economy Lodging – maid only	0	0	0	0	0	200	40	290
Total Lodging	0	200	200	400	0	200	265	945
Retail:								
Retail/Convenience/Boutique	1	1	1	1	1	1	6	6
Total Retail	1	1	1	1	1	1	6	6
Restaurants:								
Resort-based Restaurants	0	1	1	1	1	0	3	3
Land Non-Resort Restaurants	0	0	0	0	0	0	0	1
Marina based Restaurants	1	0	0	0	0	0	2	2
Total Restaurants	1	1	1	1	1	1	5	6
Camp Sites:								
Partial/Full Service	0	50	40	20	200	100	315	215
Total Campsites	0	50	40	20	200	100	315	215
RV Sites:								
Partial/Full Service	0	30	0	125	100	50	176	235
Total RV Sites	0	30	0	125	100	50	176	235
Marina/Boat Storage:								
Wet Slips	350	150	0	0	0	0	750	300
Surface Dry/Stack Storage	120	120	0	0	0	240	360	840
Total Boat Storage	470	270	0	0	0	240	1,110	1140
Houseboat Rentals	35	0	0	0	0	0	70	0
Courtesy Slips	10	10	10	10	10	10	60	60
Tour Boat Dock	1	0	1	0	1	0	5	1
Launch Ramp	1	0	1	0	1	0	6	0
Amenities								
Resort Spa/Fitness Center	0	0	0	1	0	0	0	2
Marinas Member Comfort Station (Restroom/Shower/Laundry)	1	0	0	0	0	0	3	0
RV/Camping Comfort Station (Restroom/Shower/Laundry)	0	2	1	2	2	6	6	12
RV/Camping/Swimming (Pool/Cabana/Clubhouse)	0	0	0	0	0	1	0	2
Resort Swimming Pool/Cabana	0	1	0	1	0	0	0	3
Fish Cleaning Station	1	0	1	0	1	0	6	0
BBQ Area	0	1	0	0	0	0	0	3
Conference Center	0	0	0	1	0	0	0	2
Fuel Dock-double pumps	1	0	1	0	1	0	5	0
Pump outs	1	1	0	0	0	0	3	4
On land fuel station	0	0	0	0	0	0	0	2
Boat maintenance facility	0	1	0	0	0	0	0	3

During the term of this Concession Contract, the Concession Contractor is not authorized to provide any services not identified in this Concession Contract, except as an amendment to this Concession Contract and signed by Reclamation. In providing these required and authorized services, the Concession Contractor must not permit any visitor, person, or organization to occupy or use the subject services for an extended period of time so as to preclude use by others.

The Concession Contractor shall provide security personnel certified by the state of California. During peak periods additional security personnel may be required by the Concession Contractor.

The Concession Contractor is authorized to provide only those services and improvements as identified in this section, Section 4.G, or Exhibit H, Table H-1 by type and schedule. Any eventual decision by Reclamation to add additional services will consider the impact on the operations of other concession contractors at Lake Berryessa to assure compliance with the requirements in the 2006 Visitor Services Plan Record of Decision (VSP ROD) wherein it discusses "lake-wide integration of government operations and commercial operations in the best interest of the visiting public."

The VSP ROD specifies the types of facilities that may be developed within each of three geographic locations at each concession area. The locations correspond with elevations above mean sea level (MSL) related to critical reservoir operations. Any facilities constructed by the Concession Contractor must be appropriate for the intended elevation range, and comply with requirements specified in items 1-3 below. Specifically, elevation 440' MSL represents the top of the active conservation pool for water supply and water quality purposes, and elevation 440' - 455' MSL is the reservoir surcharge capacity for flood control purposes. Locations are described in terms of elevations above MSL and reservoir capacity allocations for the Solano Project. In summary:

1. **From elevation 440' to elevation 455' MSL.** Reserved for day-use facilities (marina facilities, swimming areas, picnic sites) and the following non-permanent overnight use facilities: park models approved for short-term occupancy, RV and travel trailer sites, campgrounds, and tent camping. Picnic tables, BBQ grills, restrooms, and other supporting infrastructure for these facilities must be flood-proofed. Flood-proofing includes, but is not limited to, sealed openings, removable utilities, flotation devices, and anchoring. Park models must be removed during the off-season or in anticipation of high-water events. Retail stores and food and beverage facilities may be located at elevations 440'-455' MSL but only where certified by Reclamation as flood-proof in accordance with reservoir operation requirements, health and safety codes, and other requirements. Flood-proofing for these facilities includes, but is not limited to, stilts, lifts, floating barges, or other features that safely elevate the Structure above elevation 455' MSL.
2. **From elevation 455' MSL to the Federal Property Line.** Hotels, motels, conference facilities, cabins, cottages, and lodges must be located above the reservoir surcharge area (455' MSL and above). This is consistent with project operational requirements for flood control, water supply, and water quality, and promotes compliance with health and safety code requirements. In addition, the following overnight use facilities and supporting infrastructure may be located at or above elevation 455' MSL: park models approved for short-term occupancy, RV and travel trailer sites, campgrounds, tent camping, and picnic sites.

3. **From elevation 455' MSL plus 100 Linear Foot (LF) Buffer to the Federal Property Line.** Aeration ponds and sewage system infrastructure other than pipelines, lift stations, and other appurtenant devices – must be located above elevation 455' MSL plus 100 LF buffer. All other facilities identified in paragraphs A.1 and A.2 above may also be located above this level. The 100 LF buffer preserves space at each concession area for short-term occupancy facilities consistent with the VSP ROD.

In the provision of the general oversight and management of the facilities and services permitted in this contract, the Concession Contractor will ensure that members of the public who may rent moorage slips do not use such slips or the watercraft stored there for any commercial activities such as fishing, touring, water skiing, time share, rental boat, etc. All agreements with slip customers will include a clause indicating that if such commercial activities are discovered to be occurring from their assigned slip that their rental agreement will be immediately canceled, no refunds will be given, and they will be required to remove their watercraft within 48 hours.

Allowing any long-term exclusive use or unauthorized extended period use shall be considered a material breach of this Concession Contract for which Reclamation may terminate this Concession Contract and/or seek monetary damages or other legal relief. Exclusive use is any use which excludes other appropriate public recreational use or users for extended periods of time.

The Concession Contractor will participate in the regional trail development program by constructing a clear, delineated trail located within the six concession areas that connects to the regional trail as it enters and exits the concession area. The trail within the concession areas may utilize the road system and pass through/by amenity areas, such as stores, restaurants, comfort stations, etc.

The Concession Contractor is prohibited from permitting the conduct of any commercial activities within the concession areas by an outside party that is not an employee of the Concession Contractor in the conduct of required services. An example of this would be a person that rents a boat slip from the Concession Contractor and uses that boat in the conduct of a business as a paid fishing guide. If an external business has a written authorization from Reclamation to conduct activities, such as a fishing guide, it is permissible for the Concession Contractor to allow such authorized person(s) to launch at the concession launch ramp. Furthermore Concession Contractors may not allow advertising through signs or marketing handouts for any business intending to provide services to Lake Berryessa visitors or planning to use Reclamation land at Lake Berryessa unless they receive written authorization from Reclamation to permit such advertising and business activities.

B. SCOPE OF SERVICES AND OPERATING PLAN

Reclamation reserves the right to determine and control the nature, type, and quality of the services provided and merchandise sold at the concession areas as described in this Concession Contract. All such services and merchandise will be compatible with the intent of the Concession Contract and questions of applicability or requests for variance shall be forwarded to the Contracting Officer for consideration. Approvals must be in writing.

The Concession Contractor shall provide, operate, and maintain the required visitor services and any support facilities and services in accordance with this Concession Contract to such an extent

and in a manner considered satisfactory, pursuant to the Concession Review Program, by Reclamation.

The Concession Contractor shall comply with all conditions set forth in the main body and Exhibit G of this Concession Contract and the Operating Plan which shall be submitted for Reclamation area manager approval within 60-days of the effective date of this Concession Contract. Once approved by Reclamation, the Concession Contractor shall implement the operating plan. The initial operating plan shall conform closely to the Concession Contractor's commitments and content in its original Prospectus proposal. The Concession Contractor shall prepare and submit a single Operating Plan, but may include subparts for each concession area.

The area manager in his/her discretion, after consultation with the Concession Contractor, may make reasonable modifications to the initial Operating Plan from time to time that are in furtherance of the purposes of this Concession Contract and are not inconsistent with the terms and conditions of the main body and Exhibit G of this Concession Contract.

C. LEGAL, REGULATORY, AND POLICY COMPLIANCE

This Concession Contract, the operations hereunder by the Concession Contractor, and its administration by Reclamation shall be in accordance with all applicable federal, state and local laws, rules, regulations, and policies. The Concession Contractor shall operate and maintain its facilities in safe working order and shall ensure compliance with all applicable federal, state, and local laws, rules, regulations, policies, and directive and standards affecting such works. Certain Applicable Laws relating to nondiscrimination in employment and providing accessible facilities and services to the public are further described in Exhibit A of this Concession Contract.

The Concession Contractor shall give Reclamation immediate written notice of any known violation of Applicable Laws by its employees, agents, or contractors, and, at its sole cost and expense, must promptly rectify any such violation. Failure to notify Reclamation will be a breach of the contract and can be reason for Reclamation to terminate the contract.

D. RATES FOR GOODS AND SERVICES

Rates for all goods and services shall be reasonable and appropriate for the type and quality of the goods and services provided and must be approved by Reclamation. Rate change requests should reflect changes in rates for comparable goods and services provided by the private sector operating in a competitive environment under similar operating conditions. Should Reclamation not approve a rate change request for any of the Concession Contractor's goods or services, based upon this comparability approach, the Concession Contractor is required to continue using the currently approved rates. If the Concession Contractor disagrees with Reclamation's determination, it may request reconsideration upon submission of additional support information or may be required to resubmit a modified proposal.

Reclamation may choose to accept the Concession Contractor's proposed rates; however, if Reclamation does not accept the Concession Contractor's proposed rates, Reclamation's decision is final and non-challengeable.

The Concession Contractor shall require its employees to observe strict impartiality as to rates and services in all circumstances.

The Concession Contractor will provide Federal employees conducting official business with rates that are no greater than the Federal Per Diem rates for lodging, essential transportation, and other specified services necessary for conducting official business in accordance with Reclamation guidelines and policy. Complimentary or reduced rates and charges shall otherwise not be provided to Federal employees by the Concession Contractor, except to the extent that they are equally available to the general public. The Concession Contractor shall prominently post all rates and charges for goods and services provided to the visiting public.

E. NONDISCRIMINATION OF SERVICE TO VISITORS

Concession Contractor employees shall not discriminate when setting rates or providing services to visitors. The Concession Contractor shall comply with all Applicable Laws and regulations, whether now in force or made effective after the execution of this Concession Contract, relating to nondiscrimination in providing services to the public and accessible facilities and services, including, but not limited to, those set forth in Exhibit A.

F. CONCESSION CONTRACTOR EMPLOYEES

The Concession Contractor shall provide all personnel necessary to provide the visitor services required by this Concession Contract.

The Concession Contractor shall comply with all Applicable Laws relating to employment and employment conditions, including, but not limited to, those set forth in Exhibit A.

The Concession Contractor shall require and ensure that its employees are hospitable and exercise courtesy and consideration in their relations with the public. The Concession Contractor will require its employees who come in direct contact with the public to wear a uniform by which they can be identified as employees of the Concession Contractor. Concession Contractor uniforms must be consistent in style and color and approved by Reclamation.

The Concession Contractor shall review the conduct of any of its employees whose action or activities are considered by the Concession Contractor or Reclamation to be contrary to the proper administration of the area and protection of visitor safety and enjoyment and shall immediately take such actions as are necessary to correct the problem.

In the initial hiring efforts of employees for this contract the Concession Contractor will, to the full extent allowable under applicable law, give priority consideration to employees of the outgoing concession contractor that have properly applied for positions. This effort does not require that these employees are to be considered for the same position or even the same type of position.

G. CONCESSION CONTRACTOR EMPLOYMENT CONDITIONS

The Concession Contractor shall comply with Applicable Laws relating to employment of workers, nondiscrimination in employment, and providing accessible facilities and services including, but not limited to, those set forth in attached Exhibit A.

The Concession Contractor shall establish pre-employment screening, hiring, training, employment, termination, and other policies and procedures for the purpose of providing visitor services through its employees in an efficient and effective manner and for the purpose of maintaining a healthful, law abiding, and safe working environment for its employees. The Concession Contractor shall conduct appropriate background reviews of applicants to whom an offer of employment may be extended to ensure that they conform to the hiring policies established by the Concession Contractor.

The Concession Contractor shall maintain, to the greatest extent possible, a drug-free environment, both in the workplace and in any Concession Contractor employee housing, within the concession areas. The Concession Contractor shall publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and in the concession areas and specifying the actions that will be taken against employees for violating this prohibition. In addition, the Concession Contractor shall establish a drug-free awareness program to inform employees about the danger of drug abuse in the workplace, the availability of drug counseling, rehabilitation and employee assistance programs, and the Concession Contractor's policy of maintaining a drug-free environment both in the workplace and in the concession areas.

The Concession Contractor shall conduct educational programs for its employees to deter substance abuse and alcohol abuse. Those employees who are in safety sensitive positions as determined by or consistent with Federal, State, or local health, law enforcement, or other appropriate agency, will be required to participate in periodic drug testing. The Concession Contractor will promptly report illegal drug use to Reclamation, should it occur. It is the responsibility of the Concession Contractor to structure a drug testing program that ensures, to the greatest extent possible, a drug-free workplace. The Concession Contractor shall provide Reclamation with a written summary of drug testing activity, if any, on an annual basis.

The drug awareness and management responsibility of the Concession Contractor may be exercised through an external agreement with individuals, companies, or agencies qualified to provide such assistance.

If the Concession Contractor provides employee housing within the concession areas, the Concession Contractor's charges to its employees for this housing must be reasonable. Housing provided to Concession Contractor employees must be owned by the Concession Contractor. Suitable long-term contractor owned housing does not include mobile homes or other similar units/structures. Reclamation reserves the right to approve all employee housing units. Concession Contractors may however provide an employee RV site area separate and apart from the visitor/public use areas for privately owned employee RVs in which the employee may reside. Under no circumstances may the Concession Contractor allow the employee or his/her RV to remain on site if the employee is no longer employed by the Concession Contractor. The Concession Contractor's Operation Plan will detail employee housing requirements, subject to Reclamation approval.

H. CONCESSIONS REVIEW PROGRAM

The Concession Contractor shall be evaluated by Reclamation under the Concessions Review Program as prescribed in Exhibit D – Concessions Review Program Standards. The Concessions Review Program consists of four separate evaluations: (1) Operations and Facilities Evaluation, (2) Public Health Service Inspection, (3) Safety and Environmental Evaluation, and (4) Contract Compliance Evaluation. The Operation and Facilities Evaluation shall be conducted semiannually with at least one occurring during the high public visitation season. All other evaluations shall be conducted as Reclamation may desire and as identified in the Operation Plan. An external Reclamation review (evaluation) will be conducted every 5 years in accordance with Section 4.D (27)(b) of Exhibit L, and shall include an assessment of the current condition and remaining life expectancy of the Concession Contractor Improvements and an assessment of whether the Concession Contractor Improvements continue to meet present and projected future recreational needs, similar in nature to the assessments that Reclamation conducts in its commercial services plan process. A year end annual overall rating will be assigned as required under the Concessions Review Program.

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SECTION 3 – PROTECTION AND INTERPRETATION OF AREA RESOURCES

A. ENVIRONMENTAL MANAGEMENT OBJECTIVES

The Concession Contractor shall meet the following environmental management objectives in the conduct of its operations under this Concession Contract:

1. The Concession Contractor, including its employees, agents, and contractors, shall comply with all Applicable Laws pertaining to the protection of the public, employees, and natural and cultural resources within the concession areas.
2. The Concession Contractor shall incorporate Best Management Practices in its operation, construction, maintenance, acquisition, provision of visitor services, and other activities under this Concession Contract.
3. The design, construction, and operation of the facilities and the provision of services under this Concession Contract shall be performed in a manner that prevents, identifies, and reduces pollution at the source. The Concession Contractor shall comply with all Applicable Laws and Reclamation policies and instructions promulgated and enacted during the term of this Concession Contract concerning any hazardous materials that will be used, produced, transported, stored, or disposed of on or in lands, water, or facilities owned by the United States of America or administered by Reclamation.
4. The Concession Contractor may not knowingly allow contamination of lands, water, or facilities within the concession areas by hazardous materials, thermal pollution, refuse, garbage, sewage effluent, industrial or commercial waste, petroleum products, mine tailings, mineral salts, pesticides, pesticide containers, or any other pollutants, including, but not limited to, misuse of pesticides.
5. The Concession Contractor's operation, maintenance, acquisition, and purchasing activities will, to the extent practical, promote the use of environmentally preferable products, including materials and supplies with recycled content, and will avoid or minimize the quantity of toxic and hazardous materials entering the waste stream.
6. The Concession Contractor shall immediately report to the Contracting Officer any event that may or does result in pollution or contamination adversely affecting lands, water, or facilities within the concession areas.
7. The Concession Contractor will become ISO 14001 certified no later than one year from the effective date of this Concession Contract and maintain such certification for the life of this Concession Contract. The ISO 14001 certification represents a level of commitment to the environment regarding efforts to 1) minimize harmful effects on the environment caused by its business activities; and 2) achieve continual improvement of its environmental performance. Additional information regarding this certification and program description can be seen at: <http://www.iso.org/iso/en/prods-services/otherpubs/iso14000/index.html>.

8. The Concession Contractor is financially and managerially responsible for accomplishing, either independently or through a third party, all required NEPA compliance efforts in advance of new Concession Contractor Improvements or other projects where such compliance is necessary. Reclamation, as the ultimate party responsible for assuring proper NEPA compliance, will provide prompt agency review of all compliance work in advance of providing approval to begin any construction projects.

B. ENVIRONMENTAL MANAGEMENT PROGRAM

1. The Concession Contractor shall submit an Environmental Management Plan (EMP) for Reclamation area manager approval within 60 days of the execution of this Concession Contract. Once approved by Reclamation, the Concession Contractor shall implement and fully comply with the EMP. The EMP shall conform closely to the Concession Contractor's commitments and content in its original Prospectus proposal.
2. Any proposed revisions to the EMP shall be submitted to Reclamation annually for approval.

C. ENVIRONMENTAL EVALUATION

The Concession Contractor shall be evaluated by Reclamation on its environmental performance under this Concession Contract including, without limitation, compliance with the approved EMP and on the following criteria, as a part of the Safety and Environmental Evaluation element of the Concession Review Program referred to in Section 2.H:

1. Hazardous wastes are properly identified and managed.
2. An Oil and Hazardous Substance Spill Contingency Plan is in place; all employees are trained in first response procedures; Reclamation and appropriate regulatory authorities are notified of any spill or release of a hazardous substance.
3. A hazardous waste minimization strategy is in place, reporting requirements are met, and progress is being made toward reduction goals.
4. Areas of contamination caused by or attributable to the Concession Contractor are cleaned up to the satisfaction of Reclamation and regulatory authorities.
5. Hazardous material inventories and use records are maintained and provided to Reclamation. Hazardous materials are stored and handled in a manner that minimizes the potential for spill or release.
6. A solid waste minimization strategy is in place, waste generation information is provided to Reclamation, and progress is being made toward waste reduction goals.
7. An affirmative procurement program is in place to ensure that, where available, products containing recycled material or materials that are environmentally preferable are preferentially acquired (Green Procurement).

8. The Concession Contractor will conserve energy and improve energy efficiency of operations being implemented. Every effort will be made to ensure that environmentally safe and sustainable energy sources are used. A program to reduce overall energy consumption is documented and actively pursued.
9. The goals and objectives of the area's water conservation program are being met.
10. Prior written approval has been obtained from Reclamation for implementation of any pesticide, herbicide, or vector control action.
11. Sight, sound, and odor impacts to the environment and visitor experience are avoided when possible.
12. Care is exercised to avoid introduction of nonnative biota except as approved by the Contracting Officer.
13. The Concession Contractor conducts recurring training for staff concerning the critical importance of pollution prevention and spill report procedures, emergency incident and spill response, water and energy conservation, and the Concession Contractor's role in stewardship of concession area lands and waters. Training of employees in emergency and spill response includes field exercises done in coordination with Reclamation.
14. Employee incentive system is in place to reward employees for innovative or exemplary contributions toward prevention of pollution and to allocate some of the savings gained in energy and water conservation programs back to staff members who produce those gains.
15. Planning and design for facilities are coordinated with the Contracting Officer, including application of sustainable design principles and Reclamation reviews and approvals including, but not limited to, procedures imposed by Federal, State, county, or municipal regulations (e.g., National Environmental Policy Act, Historic Preservation Act (Section 106) and fire and safety and building codes).
16. Required environmental protection and pollution prevention facilities are in place or are in the process of being acquired, designed, or constructed with due diligence. Construction is conducted in a manner that prevents or minimizes pollutant emissions or discharges and protects public health and the environment.

D. ENVIRONMENTAL DATA, REPORTS, NOTIFICATIONS, AND APPROVALS

1. **Inventory of Hazardous Substances and Inventory of Waste Streams** – The Concession Contractor shall submit to the Contracting Officer, at least annually, an inventory of Federal Occupational Safety and Health Administration (OSHA) designated hazardous chemicals used and stored in the concession areas by the Concession Contractor. The Contracting Officer may prohibit the use of any OSHA hazardous chemical by the Concession Contractor in operations under this Concession Contract. The Concession Contractor shall obtain the Contracting Officer's approval before using any extremely hazardous substance, as defined in the Emergency Planning and Community Right to Know Act of 1986, in operations under this Concession Contract. The Concession Contractor shall also submit to the Contracting Officer, at least annually, an inventory of

all waste streams generated by the Concession Contractor under this Concession Contract. Such inventory shall include any documents, reports, monitoring data, manifests, or other documentation required by Applicable Laws regarding waste streams.

2. **Reports** – The Concession Contractor shall submit to the Contracting Officer copies of all documents, reports, monitoring data, manifests, and other documentation required under Applicable Laws to be submitted to environmental regulatory agencies. The Concession Contractor shall also submit to the Contracting Officer any environmental plans for which coordination with area operations are necessary and appropriate, as determined by the Contracting Officer in accordance with Applicable Laws. The Concession Contractor shall submit a quarterly report on the amount of toxic chemicals entering the waste stream from concession facilities.
3. **Notification of Releases** – The Concession Contractor shall give the Contracting Officer immediate written notice of any discharge, release, or threatened release (as these terms are defined by Applicable Laws) within or in the vicinity of the concession areas, (whether solid, semisolid, liquid, or gaseous in nature) of any hazardous or toxic substance, material, or waste of any kind, including, without limitation, building materials such as asbestos, or any contaminant, pollutant, petroleum, petroleum product, or petroleum byproduct.
4. **Notice of Violation** – The Concession Contractor shall notify the Contracting Officer immediately of any actual or proposed notice of violation of any Applicable Laws issued by other regulatory agencies arising out of the activities of the Concession Contractor, its agents, or employees.
5. **Communication with Regulatory Agencies** – The Concession Contractor shall provide to the Contracting Officer timely written advance notice of communications, meetings, audits, inspections, hearings, and other proceedings, between regulatory agencies and the Concession Contractor related to compliance with Applicable Laws concerning operations under this Concession Contract. The Concession Contractor shall also provide to the Contracting Officer any written materials prepared or received by the Concession Contractor in advance of or subsequent to any such communications. The Concession Contractor shall allow the Contracting Officer to participate in any such communications. The Concession Contractor shall notify the Contracting Officer immediately following any unplanned communications between regulatory agencies and the Concession Contractor.

E. CORRECTIVE ACTION

The Concession Contractor, at its sole cost and expense, shall promptly control and contain any discharge, release, or threatened release, or any threatened or actual violation, arising in connection with the Concession Contractor's operations under this Concession Contract, including, but not limited to, payment of any fines or penalties imposed by appropriate agencies. Following the prompt control or containment of any release, discharge, or violation, the Concession Contractor shall take all response actions necessary to remediate the release, discharge, or violation and to protect human health and the environment.

Even if not specifically required by Applicable Laws, the Concession Contractor shall comply with directives of the Contracting Officer to clean up or remove any materials, products, or

byproducts used, handled, stored, disposed of, or transported onto or into the concession areas by the Concession Contractor to ensure that the concession areas remain in good condition.

F. INDEMNIFICATION AND COST RECOVERY FOR ENVIRONMENTAL ACTIVITIES

1. In accordance with Section 7 (Insurance and Indemnification) of this Concession Contract, the Concession Contractor shall indemnify the United States from all losses, claims, damages, environmental injuries, expenses, response costs, allegations or judgments (including, without limitation, fines and penalties), and expenses (including, without limitation, attorney's fees and expert's fees) arising out of the activities of the Concession Contractor, its employees, agents, and contractors pursuant to this section. Such indemnification shall not apply to any environmental condition or violations of environmental laws which exists at the time possession of the concession areas is delivered to Concession Contractor. Such indemnification shall survive termination or expiration of this Concession Contract.

Reclamation shall be responsible for performing, or causing prior concession contractors to promptly perform, a clean-up of any environmental conditions and correcting any environmental law violations that predate the Concession Contractor's operations at the concession area.

2. If the Concession Contractor does not promptly contain and remediate an unauthorized discharge or release arising out of the activities of the Concession Contractor, its employees, agents, and contractors, as set forth in this section, or correct any environmental self-assessment finding of noncompliance, in full compliance with Applicable Laws, the Contracting Officer may, in its sole discretion and after notice to the Concession Contractor, take any such action consistent with Applicable Laws as the Contracting Officer deems necessary to abate, mitigate, remediate, or otherwise respond to such release or discharge or take corrective action on the environmental self-assessment finding. The Concession Contractor shall be liable for and shall pay to Reclamation any costs incurred by Reclamation associated with such action, upon demand. Nothing in this section shall preclude the Concession Contractor from seeking to recover costs from a responsible third party.
3. Any intentional violation of any of the provisions of this section shall constitute grounds for initiation of the procedure for immediate termination of the Concession Contract and shall make the Concession Contractor liable for the cost of full and complete remediation or restoration of any Federal resources or facilities that are adversely affected as a result of the violation.
4. Reclamation shall not be responsible for any omissions or inadequacies of insurance coverage and amounts in the event the insurance purchased by the Concession Contractor proves to be inadequate or otherwise insufficient for any reason whatsoever.

G. WEED AND PEST MANAGEMENT

1. The Concession Contractor shall be responsible for managing weeds and other pests on all authorized land and in all facilities assigned for use in conducting operations under the

Concession Contract. Plants and animals that are native to Lake Berryessa may not be removed or harmed except with the prior written approval of Reclamation.

2. Each application of a pesticide, herbicide, rodenticide, or other plant or animal infestation control means beyond excluding entry to infested areas must be approved by Reclamation. Requests should be made at least 30 days in advance. Reclamation will seek to expedite the review of requests addressing an “immediate need” in recognition of the potential impacts to the public and the Concession Contractor’s business. At all times, the Concession Contractor will be responsible for complying with all training, operational, and licensing requirements under Applicable Laws and manufacturers’ guidelines.
3. The Concession Contractor may obtain approval from Reclamation in advance of an actual infestation by submitting, in conjunction with a licensed or certified applicator, a request detailing actions that would address likely future problems and detailing any legal and customary preventative measures. After Reclamation pre-approval is obtained, Reclamation need only be notified 24 hours in advance of the actual chemical application or control action. Reclamation may rescind its approval at any time.

H. HAZARDOUS MATERIALS

1. **Handling/Storing Hazardous Materials** – The Concession Contractor shall maintain health and safety standards and take necessary mitigative and corrective measures to ensure healthy working and living environments in all assigned buildings and improvements. The Concession Contractor shall store, handle, and use hazardous materials in a manner that protects workers from harmful exposure, minimizes the potential for spills and releases, and reduces the use of these materials to diminish the subsequent generation of hazardous waste.

Hazardous materials shall be handled in accordance with subpart Z of 29 C.F.R. Parts 1910 and 1926. Examples of hazardous materials requiring special management controls include asbestos, radon, and lead-based paint. The Concession Contractor shall obtain Reclamation approval before using chemicals, pesticides, and toxic materials. Applications and methods of use shall conform to Federal, State, and local laws and applicable codes, policies, and guidelines.

2. **Hazardous Materials-Related Training** – The Concession Contractor shall provide training to all employees in accordance with 29 C.F.R. 1910.120 (First Responder for Hazardous Materials Incidents) and 29 C.F.R. 1910.1200 (Hazard Communication). The Concession Contractor shall comply with all Federal, State, and local laws and regulations pertaining to hazardous materials.
3. **Hazardous Waste Minimization and the Use of Environmentally Preferable Products** – The Concession Contractor shall attempt to minimize the use of hazardous materials in its operations, thus diminishing the amount of hazardous waste generated over time. The Concession Contractor shall seek to use fewer toxic materials and, instead, will use products that are environmentally preferable as a general means to minimize hazardous waste. If the Concession Contractor generates more than 100 kilograms per month of hazardous waste, the Concession Contractor must provide Reclamation with a Hazardous Waste Minimization Plan. To track any trends for waste generated, the Concession

Contractor must provide information on all hazardous waste management (recycling and disposal) to Reclamation quarterly.

I. SOLID WASTE MINIMIZATION

The Concession Contractor shall provide Reclamation with a written solid waste minimization plan that is consistent with Napa County and Reclamation policies and practices. Special consideration should be given to the type of packaging and containers that are used in products offered for sale to visitors. If the Concession Contractor collects and hauls its solid waste, the Concession Contractor shall provide Reclamation information quarterly regarding the amount of solid waste generated and the amount of material recycled.

J. DRAINAGE AND STORMWATER POLLUTION PREVENTION

1. The Concession Contractor shall implement Best Management Practices to prevent the degradation of water quality in stormwater and other runoff from facilities within the concession areas. Erosion controls must be implemented at construction sites with disturbed soils exposed. Water from vehicle and equipment washing must be contained and oil/water separation must occur before appropriate discharge. Any improvements to drainage systems must be made in accordance with Federal, State, and local regulations and with prior Reclamation approval.
2. The Concession Contractor shall ensure proper drainage control to protect landscapes, native vegetation, Structures, facilities, improvements, and equipment while maintaining natural drainage patterns to the greatest extent possible.

K. RECYCLING AND CONSERVATION

1. The Concession Contractor shall implement a source reduction program designed to minimize concession use of disposable products in its operations. Polystyrene and plastics shall be used as little as possible (and then only polystyrene not containing chlorofluorocarbon). Where disposable products are needed, products that have the least impact on the environment shall be used.
2. The Concession Contractor shall implement a recycling program that fully supports the efforts of Reclamation to conserve resources. Products to be recycled include, but are not limited to, paper, newsprint, cardboard, bimetals, plastics, aluminum, glass, waste oil, antifreeze, and batteries.

The Concession Contractor shall provide recycling bins in all public areas. The Concession Contractor is responsible for emptying these bins as needed and for ensuring that these recovered materials are delivered or picked up for recycling.

Any beverage container deposits collected in excess of related operating expenses shall be used for environmental projects as approved in writing by the Contracting Officer. An accounting of the beverage container deposits collected and distributed will be provided to Reclamation on an annual basis.

3. The Concession Contractor will implement water and energy conservation measures for each of its operations. As new technologies are developed, the Concession Contractor will explore the possibility of integrating them into existing operations where there is potential for increased efficiency, reduced water or energy consumption, or reduced impacts on the environment.

L. WASTEWATER TREATMENT

1. The Concession Contractor shall ensure that all wastewater systems are operated in accordance with all Applicable Laws and environmental requirements, including Federal, State, and local laws and applicable codes, policies, and guidelines.

For wastewater that will be discharged into surface water, the wastewater treatment facility must comply with the effluent limitation requirements established in Public Law 92-500 (Clean Water Act) and be permitted in accordance with the National Pollutant Discharge Elimination System, as administered by the Environmental Protection Agency.

All new wastewater treatment facilities must be designed in accordance with the best practicable wastewater treatment technology and be based on sound engineering standards such as those established by the American Society of Civil Engineers or the Recommended Standards for Wastewater Facilities (10 States Standards) prepared by the Great Lakes-Upper Mississippi River Board of State and Provincial Public Health and Environmental Managers.

When wastewater system modifications or new construction are proposed, the Concession Contractor will submit plans and specifications to Reclamation for approval and obtain necessary permits.

2. All new vault toilets (if any) will incorporate the U.S. Forest Service Sweet Smelling Toilet design features or similar features from other sources. Vault toilets shall be pumped as necessary. All toilets will be cleaned and re-supplied as often as necessary to maintain a high degree of sanitation. Adequate sanitation facilities will be required for remote area activities such as river rafting, horseback riding, backpacking, and similar activities.
3. Septic tanks (if any) will be inspected annually by the Concession Contractor to determine the amount of accumulated scum and sludge. Records of septic tank measurements, inspections, and pumping will be available for review by Reclamation. Septic tank risers will be provided for inspection holes to facilitate inspection and pumping. Septic tanks will be pumped when the scum or sludge levels in the tank dictate (generally every 3-5 years). The bottom of the scum should never be closer than 3 inches to the bottom of the outlet device, and the top of the sludge layer should never be less than 8 inches from the bottom of the outlet device. Records of septic tank measurements, inspections, and pumping should be maintained and be available for review by Reclamation.

Septic tank drain fields will be surveyed annually during a high-use period to identify system failures such as odors and surfacing wastewater. The drain field should be kept

clear of trees and bushes, which may send roots into the drain field piping system causing clogging and premature failure. Additives to enhance bacterial growth in septic tank systems are generally not recommended.

4. Personnel who routinely come into contact with sewage or who work in or inspect wastewater treatment facilities, ponds, etc., must have current immunizations. Wastewater treatment plant personnel shall not eat, drink, or smoke when performing maintenance or inspecting equipment that may be contaminated with sewage. Workers cleaning up wastewater spills will wear coveralls, rubber boots, and rubber gloves. On completion of cleanup, workers shall remove clothing and place in plastic bag for laundering, take a hot shower using sufficient soap and water, and rinse rubber boots, gloves, and other protective equipment with 100 parts per million disinfectant solution of hypochlorite.
5. In the event of a wastewater leak or spill deemed "major" by the regulating agency, Reclamation and the regulatory agency will be notified immediately. Facilities and equipment contaminated with sewage as a result of leaks, spills, and sewage system backflow will be thoroughly washed down with water and detergent which must be contained and disposed of in accordance with applicable rules, regulations and policies.
6. Ponds should be monitored at least every 2 weeks for liquid coloration, presence of septic odors, properly operating aerators, material floating on the surface, insect breeding, and vegetation growth. The dikes should be free of rodent burrows. Vegetation on the dikes and at the waterline should be controlled. All ponds should be signed and fenced in such a manner as to exclude unauthorized entry. An all-weather road should be constructed for each pond.

M. PROTECTION OF HISTORIC, CULTURAL, AND ARCHEOLOGICAL RESOURCES

The Concession Contractor shall ensure that any protected sites and archeological resources within the concession areas are not disturbed or damaged by the Concession Contractor's operations, including the Concession Contractor's employees, agents, and contractors, except in accordance with Applicable Laws and only with the prior approval of Reclamation. Discoveries of any archeological resources by the Concession Contractor shall be promptly reported to the Contracting Officer. The Concession Contractor shall cease work or other disturbance that may impact any protected site or archeological resource until the Contracting Officer grants approval, upon such terms and conditions as the Contracting Officer deems necessary, to continue such work or other disturbance.

N. INTERPRETATION OF AREA RESOURCES

The Concession Contractor shall provide all required services in a manner that is consistent with and supportive of the interpretive themes, goals, and objectives of Reclamation at Lake Berryessa. The Concession Contractor must develop a concession area interpretive program in conjunction with Reclamation that interprets the overall themes approved by Reclamation to enhance visitor enjoyment of the area.

Reclamation reserves the right to enter into agreements with cooperating associations for supplemental services that are deemed by Reclamation to be part of and appropriate to the

concession area's interpretive program. The proposed content of any interpretive programs, exhibits, or displays shall be submitted to Reclamation for review and written approval before being offered to the concession area visitors.

The Concession Contractor is required to develop interpretive materials and a means to educate visitors about environmental programs or initiatives implemented by the Concession Contractor and to support educational efforts through such actions as developing printed material (menus, marketing, correspondence, etc.), using outdoor signs, and, as appropriate, formal programs. Reclamation will provide assistance in regard to appropriate education and training for concession employees with this interpretive responsibility.

The proposed content in any interpretive programs, exhibits, displays, correspondence, marketing, or signs shall support the interpretive themes and objectives of the area as reflected in area planning documents, mission statements, or other interpretive documents and be submitted to Reclamation for review and written approval before being offered to concession area visitors. (See Exhibit G, Section E)

O. RISK MANAGEMENT PROGRAM

The Concession Contractor shall provide a safe and healthful environment for all employees and visitors. The Concession Contractor shall submit a Risk Management Plan (RMP) for Reclamation area manager approval within 60-days of the effective date of this Concession Contract. Once approved by Reclamation, the Concession Contractor shall implement and fully comply with the RMP. The RMP shall conform closely to the Concession Contractor's commitments and content in its original Prospectus proposal.

The Concession Contractor's RMP shall include the following performance standards. The Concession Contractor will be evaluated, based on compliance with these standards, in the Concessions Review Program referred to in Section 2.H.

1. Policy written and available to staff – The RMP shall state the Concession Contractor's commitment to provide a safe and healthy environment for employees and visitors. At a minimum, it will address procedures to identify and correct safety deficiencies and measures to ensure safety awareness and training in hazards recognition. The RMP will outline accountability and responsibility for managers, supervisors, and employees. The RMP will be distributed to employees or will be posted conspicuously. The scope and complexity of the program is commensurate with the size and type of operations and services being provided. Long-range goals and objectives to achieve a safe, healthful environment will be formulated.
2. Safety and health official is designated – The person with primary responsibility for managing the Concession Contractor's RMP will be clearly identified in the RMP, and this person's responsibilities and authority will be clearly stated. Sufficient documentation will be provided to verify that the designated safety and health official has carried out his or her assigned responsibilities; such documentation may include inspection reports, records of training sessions conducted or attended, accident or incident reports and follow-ups, and analysis of accident trends.

3. Management and staff will be held accountable for compliance – Supervisors will be assigned the responsibility to conduct routine safety inspections of the assigned work areas, job sites, etc. Procedures to evaluate all employees on compliance with the Concession Contractor's RMP will be identified. Employees will be encouraged to report unsafe or unhealthy working conditions.
4. Sufficient funds and resources will be allocated to support the RMP – Adequate funds or other resources will be set aside to cover the needs for staff, training, personal protective equipment, safety literature, etc., commensurate with the size and complexity of the concession operation.
5. Annual goals and objectives will be established – Specific goals and objectives will be established annually for achieving a safer and more healthful work environment. These may be based on needs identified in prior reporting periods (e.g., specific goals for reducing back injuries; expanding safety segments of general orientation training for seasonal wait staff, housekeepers, and maintenance workers; and purchasing and using an expanded safety videotape library).
6. Program administration will be developed – Summary of accidents and injuries listing total number and total lost-days will be reported to Reclamation annually. Employees (and employee unions) will be involved in the program through committees, suggestion programs, or other systems for reporting workplace hazards.

Safety and health information will be available to all permanent and seasonal employees. OSHA "right to know" posters (OSHA 2203) will be prominently displayed in areas frequented by staff.

7. An inspection schedule must be developed – A schedule for inspecting all facilities, equipment, and public use areas must be developed. The frequency and timing of inspections for all facilities and equipment will be identified and will be commensurate with the complexity or seasonality of the operation. Any facilities or equipment requiring specialized safety inspections (e.g., docks and marinas) will be identified, and a schedule will be established in accordance with the manufacturer's recommendations, governing or professional organization recommendations, etc. Inspections will be conducted according to the established schedule.
8. Inspections must be conducted as scheduled or required – Procedures for documenting inspections, reporting hazards, etc., must be established in the RMP. Inspections will be conducted as required in the RMP.
9. Inspections will be conducted by people trained and capable of recognizing and evaluating hazards – Inspectors will be identified in the RMP. Inspectors will have the knowledge, skills, and abilities to recognize, evaluate, and make recommendations for corrective actions. Inspectors will be familiar with the operation to be inspected and typical problems that might be associated with it. Inspectors will understand and follow the established procedures for documenting and reporting hazards. Inspectors will follow up to ensure that hazards will be abated within time limits specified in the RMP.

10. Inspection records must be kept for a minimum of 3 years – Inspection records must be kept for a minimum of 3 years and must be made available to the Contracting Officer upon request. Such records must include the following information: date of inspection, names of facility/building, identified deficiencies/hazards, classification of deficiencies, abatement date or action plan to correct deficiencies, and name of person conducting inspection.
11. Imminent danger deficiencies must be abated or action plans developed within time limits established by Reclamation – Such deficiencies must be abated immediately. An example is a dangling power line. Abatement methods include correction of the deficiency or other action to reduce risk temporarily to staff and visitors. If abatement cannot be immediately achieved, the facility or service must be closed.
12. Serious hazard deficiencies must be abated or action plans developed within time limits – Such deficiencies must be abated within approximately 15 days or other reasonable time frame as established by the Concession Contractor and approved by Reclamation. Abatement methods include correction of the deficiency or other action to reduce risk temporarily to staff and visitors. If abatement cannot be achieved within the established timeframe, the facility or service must be closed.
13. Non-serious hazard deficiencies must be abated or action plans developed within time limits established by Reclamation – Non-serious hazards must be abated within 45 days or a reasonable time frame as established by the Concession Contractor and approved by Reclamation. Abatement methods include correction of the deficiency or other action to reduce risk temporarily to staff and visitors.
14. A documented plan must be in place for reporting and investigating employee and visitor accidents/incidents – Accident/incident reporting and investigating procedures must be documented. Such procedures must include, but are not limited to, the types of accidents to be reported, the forms to be used to properly document accidents/incidents, the person(s) responsible for reporting and/or investigating accidents/incidents and for completing the forms, and required timeframes for reporting and documenting accidents/incidents. Corrective action must be taken to reduce or eliminate recurrence of accidents. Records must be maintained verifying that accidents were reported and documented as required by Reclamation, OSHA, Office of Workers' Compensation, etc.
15. All reportable accidents must be reported to Reclamation – A plan must be developed outlining procedures for accident reporting. Employees must be aware of these procedures. Reportable accidents/incidents include any fatalities, visitor incidents with likelihood of a tort claim against the United States, and fires. Employees must be aware of the type of accidents/ incidents that must be reported to Reclamation. Such records should include the date the accident/incident was reported, to whom, and by whom.
16. Activity-related hazards must be communicated – Activity related hazards (e.g., safety orientation for use of rental craft and horseback rides) must be effectively communicated to concession visitors.
17. Resource-related hazards must be communicated – Resource hazards that exist within the scope of the concession operation (e.g., falling rocks, wild animals, Lyme disease,

rattlesnakes, trail conditions, and water hazards) must be effectively communicated to concession area visitors and staff.

18. Training plans for supervisors and employees must meet the requirements set forth in RMP – Training plans and accomplished training for supervisors must be established. A plan must be established identifying the training requirements for all supervisors. Required subject matter and required training courses must be identified and provided in the RMP. All accomplished training must be documented.
19. Training plans and accomplished training for employees must be established – A plan must be established identifying the training requirements for all employees. The plan will include safety training that is appropriate to the job being performed, as well as general safety information. Required subject matter and required training courses will be identified and provided. All accomplished training must be documented.
20. Procedures must be documented for all probable occurrences – An emergency action plan must be developed that identifies occurrences that will require specific procedures to be followed in the interest of life safety and property protection (e.g., earthquakes, floods, fires, bomb threats, and hazardous material spills or releases).
21. Plans must be coordinated with Reclamation – The Concession Contractor must coordinate all emergency action plans with Reclamation. The Contracting Officer will approve the plans. The plans will be reviewed annually and updated as necessary.
22. Plans will be distributed to employees or posted conspicuously – Employees must be familiar with emergency action plans and must be aware of their individual responsibilities in implementing such plans.

The Concession Contractor will be evaluated by Reclamation according to the schedule indicated in Exhibit G. This will constitute the safety portion of the Safety and Environmental Evaluation referred to in Section 2.H. The evaluation will be based on a review of the Concession Contractor's safety program and will evaluate Concession Contractor compliance with the performance standards throughout this contract and its exhibits. The Concession Contractor shall provide Reclamation access to its records, including any annual statistical information that may be required by the Contracting Officer. As part of the evaluation, Reclamation personnel may conduct random on-site reviews of facilities and equipment to evaluate the effectiveness of the Concession Contractor's own inspection program.

P. FUEL STORAGE

The Concession Contractor shall be responsible for compliance with all applicable Federal, State, and local laws and regulations pertaining to fuel storage. The Concession Contractor must provide the Contracting Officer with copies of all reports and correspondence to, or required by, any regulatory agency pertaining to fuel storage. If any leak detection testing indicates a possible release or leak from a fuel storage and delivery system within the concession areas, Reclamation must be notified immediately by the Concession Contractor; the Concession Contractor will be responsible for fulfilling all reporting, monitoring, and remediation requirements associated with such leak or release.

Reclamation must approve all plans for any work involving fuel storage and delivery systems, tracer probes, and monitoring wells within the concession areas, the removal of contaminated soil, and groundwater remediation work. Emergency work performed pursuant to Section 3, paragraph E must be performed immediately.

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SECTION 4 – LAND AND FACILITIES USED IN THE OPERATION

A. ASSIGNMENT OF LAND AND FACILITIES

Reclamation hereby authorizes the use of the following land and concession facilities by the Concession Contractor for the purposes of this Concession Contract:

1. The parcels of land on which the Concession Contractor shall implement this Concession Contract are described in Exhibit B.
2. The Concession Contractor may be assigned temporary use of existing facilities on a case-by-case basis, consistent with prevailing legal requirements. Specific terms and conditions of such use will be addressed by separate agreement.

Reclamation shall have the right, at any time, to enter upon the lands used by the Concession Contractor for any purpose deemed reasonably necessary for the administration of Reclamation lands or Reclamation's implementation of this Concession Contract.

Reclamation may, from time to time, amend Exhibit B to reflect changes in the description of the land and facilities assigned for the use of Concession Contractor until contract expiration or rescission of the assignment.

B. RESCISSIONS OF CONCESSION FACILITIES ASSIGNMENTS

Reclamation may rescind all or portions of these concession lands and facilities Assignments at any time during the term of this Concession Contract if any of the following apply:

- The rescission is necessary for project purposes, for complying with applicable laws, for the purpose of conserving, preserving, or protecting Lake Berryessa resources or visitor enjoyment or safety.
- The Concession Contractor's permission to use the assigned concession lands and facilities have been terminated or suspended by Reclamation.
- The assigned government and assigned concession facilities or land is no longer necessary for the concession operation.
- The assigned government land is required for project purposes.

Exhibit E describes those temporary rescissions of lands and/or facilities which have been made as of the effective date of this Concession Contract. Reclamation may amend Exhibit E as necessary to reflect changes in rescissions.